

Claims:

1. (Currently amended) A methodology that provides a semi-standard contract between the parties containing general and particular conditions.
Means of establishing a general condition of contract, remaining unchanged throughout contract life ;means of establishing a particular condition of contract containing properties that may change depending on application ; means of creating a contract based on semi standard product
2. (Currently amended) Method of claim 1, wherein the contract represents product branches with common root, which are inter-changeable.
3. (Currently amended) Method of claim 1, wherein the contract terms of minimum and maximum price fluctuation are set and are automatically modified as the root product changes.
4. (Currently amended) Method of claim 1, wherein the contract terms of delivery notice day may change as contract delivery date changes.
5. (Currently amended) Method of claim 1, wherein the contract terms for lot size and measure may change[s] as root products change.
6. (Currently amended) Method of claim 1, wherein the non-US Dollar currency of price quote will change as the marketplace changes.
7. (Currently amended) Method of claim 1 wherein, the contract terms for trading contracts containing minimum fluctuation of price and daily limits of price change as products changes.
8. (Currently amended) Method of claim 1 wherein, cash based performance bond is employed as risk management tool; further comprising automatic adjustment as products change.
9. (Currently amended) Method of claim 1, wherein a product is considered to be standard commodity if no particular condition of contract is stipulated.
10. (Currently amended) A methodology that formalizes a customized bilateral forward agreement into a financial instrument comprising of:
Means of constructing a flexible semi-standard contract based on generic products with standard specification; means of applying the general condition of contract (specification) for financial instrument to reflect a generic product; means of further modifying the contract specification automatically to reflect the particular conditions of the forward agreement ; means of treating any forward agreement as changeable financial instrument.
11. (Original) Method of claim 10, wherein the contract represents buying and selling of a root product. Root products further comprising the base product of any subsequent value-added product
12. (Currently amended) Method of claim 11, wherein the root product is technically equivalent to generic root product if no changes in contract specification is made and no value added.

13. (Original) Method of claim 12, wherein a contract specification based on generic root product is interchangeable and as such is considered a financial instrument
14. (Currently modified) Method of claim 11, wherein the contract specification for minimum and maximum price fluctuation is modified as the root products change.
15. (Currently amended) Method of claim 11, wherein the contract specifications for lot size and measure changes as the root products change.
16. (Currently amended) Method of claim 11, wherein the local currency of price quote changes as the marketplace changes.
17. (Currently amended) Method of claim 14 wherein, the limited price fluctuation is modified governed by moving average prices.
18. (Currently amended) Method of claim 10 wherein, the contract specification employs variable cash based performance bond as risk management tool.
19. (Currently amended) Method of claim 10, wherein any non-standard contract can employ semi-standard contract as underlying financial instrument.
20. (Currently amended) Method of claim 19, wherein any standard commodity contract is special case of semi-standard contract.
21. (Currently amended) Method of claim 20, wherein a standard contracts is automatically generated if the root product is a standard commodity.
22. (Currently amended) Method of claim 21, wherein a contract based on the root product and specification can be traded as financial instrument